

# BTEC Bulletin

News from the [Business Transformation Executive Committee](http://inside.usaid.gov/BTEC/) <http://inside.usaid.gov/BTEC/>

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## USAID Business Transformation Plan:

- Human Capital
- BSM
- Knowledge for Develop.
- Strategic Budgeting

## Congressman Briefed on Agency Reforms

Representative Jim Kolbe (R-AZ), Chairman, House Appropriations Subcommittee on Foreign Operations, met with BTEC members recently to hear the status of Agency reform initiatives.

After brief introductory remarks by Deputy Administrator Fred Schieck and AA/M John Marshall, Rep. Kolbe was briefed on Agency management systems reform initiatives in human resources, procurement, and financial management. Chief Human Capital Officer Rose Marie Depp, Chief Acquisitions Officer, Tim Beans and Chief Financial Officer Lisa Fiely provided these briefings respectively.

Rep. Kolbe asked how the agency is responding to new initiatives like the Millennium Challenge Account, HIV/AIDS, and Iraq & Afghanistan.

Acting AA/PPC Barbara Turner responded that Agency staff is detailed to the newly created Office of the Global HIV/AIDS Coordinator, as well as to the Millennium Challenge Corporation (MCC).

The fiscal 2004 appropriations bill authorizes repayment to USAID for the MCC staff detailees. The new legislation also provides the Agency the

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## Controllers & Chief Accountants See Phoenix Live at Cairo Conference

Agency senior financial management staff serving in the field participated in a live demonstration of the new accounting system, Phoenix, while attending the Controllers and Chief Accountants Conference in Cairo recently. Attendees also had individual practice time with the Phoenix system at a conference information center.

The transfer of Phoenix to field missions overcame its first technical hurdles in operational tests in Peru and Egypt, two of three missions chosen as pilot sites for the initial installation of the new financial management system replacing the MACS accounting system. Testing will begin at the third pilot site in Ghana in the next few weeks.

While in Peru last January, Management Bureau accounting and information technology (IT) specialists tested the Agency's computer network's ability to support the transfer of financial data from the mission in Lima to the central database in Washington, D.C.

Tests were conducted using both embassy and local internet connections to determine response times for confirmation that data has been entered into the central database. In Peru, local internet connections were faster than the government's network. Response times, however, were longer in Lima and in Cairo than for Phoenix users in Washington although test users thought the speed was acceptable, according to Mark Kneidinger, DAA/ Management Bureau who was a speaker at the Cairo conference.

At the Cairo conference, like Peru, staff were ready to accept the new financial management system, but were worried about the learning curve, noted Robert Bonnaffon, Change Management Officer for the Phoenix overseas deployment. He said "their basic message to us was, this is a complex system and we are going to need high

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authority to program fund up to 85 limited non-career Foreign Service Officers through 2006. This will assist in filling 40 positions that remain unfilled at the end of each major FSO assignment cycle and address emerging priorities and global crises such as Iraq and Afghanistan.

Rep. Kolbe added these new authorities in the FY 2004 appropriations bill.

## USAID and State Finalize Business Collaboration Plan

USAID and Department of State recently approved a joint document that consolidates common management priorities of both agencies. The State/USAID Joint Management Council approved a Business Plan for Management Collaboration. The Business Plan furthers the common management goals of both agencies as described in the USAID/State Joint Strategic Plan covering fiscal years 2004 to 2009.

The [JMC Business Plan for Management Collaboration](#) serves as the implementation roadmap for State/USAID joint management efforts, and represents an important step forward in achieving the management reform goals of the President, Secretary and Administrator. The Business Plan contains the seven JMC working groups implementation plans that address the following management areas of collaboration outlined in the State/USAID Strategic Plan:

- Resource Management
- Management Processes
- Information and Communications Technology
- E-government
- Facilities
- Security; and
- Human Capital

The purpose of the Business Plan is to:

- Summarize JMC working group priorities, proposed actions, and collaborative benefits;
- Present Executive Committee findings and recommendations; and
- Provide an implementation timeline.

The JMC working groups will present updates on their progress in achieving the Business Plan implementation milestones at the next meeting of the [Joint Management Council](#) on March 24, 2004.

Your comments and suggestions are welcomed. Please contact your bureau's [BTEC member](#) or [nbarnett@usaid.gov](mailto:nbarnett@usaid.gov). You may also contact us online at <http://inside.usaid.gov/BTEC/>



**The next BTEC meeting is scheduled for March 23rd.**

### (Phoenix Demo at Cairo Conference from Page 1)

quality training.” Bonnaffon also said the mission controllers and chief accountants want to be sure that they have adequate technical support.

The deployment of Phoenix is a major initiative of [Business Systems Modernization](#), a key component of the Agency’s Business Transformation Plan. This initiative also addresses the PMA goals for [Improved Financial Management](#) and [Expanded E-Government](#).

## BTEC Sets Short-Term Priorities

The Business Transformation Executive Committee met recently to evaluate its effectiveness since its inception and to prioritize the critical management reform issues before the Agency.

The BTEC affirmed its responsibility to oversee the agencies business transformation initiatives. It was also determined that the BTEC should begin to identify short-term objectives while continuing activities associated with the long-term goals in the Business Transformation Plan. The short-term initiatives, most agreed, would have more immediate impact on staff in Washington and the field missions.

The BTEC identified two human capital priorities: fill the most important vacancies and fill the human resource pipeline with sufficient staff to occupy all funded jobs.

A third recommendation that the BTEC establish operating expense budget priorities was endorsed after Jim Painter, PPC/B, explained how the Committee could play a greater and more effective role in this process.

Administrator Natsios spoke during a segment of the meeting and identified his management priorities as the following: deployment of Phoenix overseas; the new procurement system; human resources management; an executive information system; alternative approaches to fund operating costs; and a new business model.

The Administrator noted that the Agency is expected to fill 620 vacancies over the next two years. He said that recruitment and placement of new staff must be done well because the influx will significantly influence the Agency culture.

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[Minutes](#) of the BTEC meetings can be found on the BTEC website at <http://inside.usaid.gov/BTEC/>

### *Did you know...*

...that the Administrator recently welcomed 39 new Foreign Service Officers to USAID. The new FSO’s included International Development Interns and New Entry Professionals. These new recruits are part of the Agency’s Development Readiness Initiative (DRI). The DRI is directed at closing critical Agency staffing gaps in order to fill key positions overseas. This initiative relates to [Strategic Management of Human Capital](#), one of the key components of the Agency’s Business Transformation Plan and a [key goal of the President’s Management Agenda...](#)